



**CALIFORNIA STATE
PUBLIC WORKS BOARD**

ARNOLD SCHWARZENEGGER, GOVERNOR

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AGENDA WITH ANALYSIS

**NOTICE OF MEETING
STATE PUBLIC WORKS BOARD
Friday, May 8, 2009**

**The STATE PUBLIC WORKS BOARD will meet on
Friday, May 8, 2009, at 10:00 a.m. in Room 113, State
Capitol, Sacramento, California.**

**In accordance with provisions of Section 11125 of the
Government Code, a copy of the Agenda is attached.**

**Greg Rogers
Administrative Secretary**

Attachment

STATE PUBLIC WORKS BOARD

Friday

May 8, 2009

10:00 a.m.

Room 113

State Capitol

Sacramento, California

I. Roll Call

Michael C. Genest, Director, Department of Finance
Will Bush, Director, Department of General Services
Will Kempton, Director, Department of Transportation
John Chiang, State Controller
Bill Lockyer, State Treasurer

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Patrick W. Henning, Director, Employment Development Department
(Advisory Member)

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Assembly Member, Mike Eng, Legislative Advisor
Assembly Member, Mary Hayashi, Legislative Advisor
Assembly Member, Legislative Advisor
Senator, Mark J. DeSaulnier, Legislative Advisor
Senator, Denise Ducheny, Legislative Advisor
Senator, Abel Maldonado, Legislative Advisor

II. Approval of minutes from the March 30, 2009 and April 10, 2009 meetings

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V. Other Business	Page 41

CONSENT ITEMS

CONSENT ITEM—1

JUDICIAL COUNCIL OF CALIFORNIA (0250)
ADMINISTRATIVE OFFICE OF THE COURTS
CERES COURT, COUNTY OF STANISLAUS
AOC Facility Number 50-C1, DGS Parcel No. 10574

Authority: Trial Court Facilities Act of 2002, Chapter 1082, Statutes of 2002, commencing with Government Code Section 70301, as amended.

Consider the acceptance of real property through a transfer of title

CONSENT ITEMS

STAFF ANALYSIS ITEM—1

Administrative Office of the Courts
Ceres Court, AOC Facility Number 50-C1

Action Requested

If approved, the requested action would authorize the acceptance of real property through a transfer of title.

Scope Description

This transaction is within scope. The County of Stanislaus (County) is transferring fee title in and to the court facility commonly known as the Ceres Court, located at 2744 2nd Street Ceres, California (Court Facility), to the State of California (State) on behalf of the Judicial Council of California (Council), Administrative Office of the Courts (AOC), pursuant to that certain "Transfer Agreement Between the Council, AOC, and the County for the Transfer of Responsibility (TOR) for Court Facility, dated June 25, 2008" (Transfer Agreement). The Court Facility consists of approximately 2,700 square feet situated on 0.172 acres of real property. The Court Facility is a one story building, with six unsecured parking spaces located on the south side of the site; two unsecured spaces on the eastside of the Court Facility and associated landscaping. Following the transfer of title, the AOC shall be responsible for the funding and operation of the Court Facility.

Funding and Cost Verification

This transaction is within cost. The County shall not be entitled to compensation for any equity value in the square footage occupied by the Superior Court in the Court Facility pursuant to SB 1732 (Escutia), Chapter 1082, Statutes of 2002, Section 1(d)(6). The only costs associated with acceptance of this no-cost acquisition are the staff costs to process the acceptance.

CEQA

A Notice of Exemption was filed with the State Clearinghouse on September 28, 2007, and the 35-day statute of limitations period expired on November 2, 2007, with no adverse comments.

Project Schedule

The anticipated date of close of escrow is late May 2009.

Condition of Property

On August 23, 2005, Staff from the AOC's Office of Court Construction and Management conducted its initial site visit to the 2,700 square foot Ceres Courthouse, constructed in 1969 to assess the general condition of the property. The site visit entailed a tour of the facility and surrounding property including a review of the real property for apparent conditions that could adversely impact the habitability or safety of the property. The AOC Construction and Management concluded that the Court Facility did not contain any apparent hazards to the health and safety of the occupants or property. As a part of the transfer transition process, a follow up site visit was conducted by the AOC Facility Management Unit (FMU) on July 1, 2008, and FMU found that the building condition is similar to that described in August, 2005.

Phase I:

A Phase I report was completed on March 2007, in accordance with the American Society for Testing and Materials (ASTM). The Phase I included an evaluation of significant environmental, health, and safety conditions impacting the interior and exterior of the Court Facility. The Phase I cited no onsite or offsite Recognized Environmental Condition (REC) for this site; however, it did report a potential environmental concern that involves a leaking underground storage tank (LUST) at a nearby gas station (Moon Gas Station). As the gas station is in an expected gradient direction of the subject property, the potential for impact to the subject property could not be ruled out.

Since ERM's Phase I report was completed over a year ago, the AOC engaged Tetra Tech EM Inc. to conduct an independent review of the Phase I report. Based on this review, AOC's Environmental Analyst issued an updated summary on August 4, 2008. The summary indicated that the Court Facility has no on-site recognized environmental concerns, but acknowledged that the Court Facility, which was built in the 1960s, is likely to contain lead base paint (LBP) on the walls and surfaces, PCBs in the electrical fixtures and asbestos containing materials (ACM) in various types of building materials. It also cited a potential environmental concern regarding the LUST at the Moon Gas Station located less than 1/8 mile south of the Court Facility. This site was undergoing remedial action at the time the updated summary was written in 2008. Based on information AOC received from the County of Stanislaus Environmental Health Unit, the LUST is no longer an issue.

Seismic Safety Assessment of the Improvements:

On March 14, 2005, AOC consultant, Rutherford & Chekene (R&C) completed its review of structural, architectural, mechanical, plumbing and electrical drawings submitted by the County to the AOC; thereby allowing the AOC to confirm or rule out certain conditions critical to seismic

performance. Based on R&C's recommendation, this Court Facility was assigned an overall Seismic Risk Level V. The transfer of responsibility from the County to the State for the operation and maintenance of this Court Facility will comply with Government Code Section 70324(a), which specifies the liabilities and obligations of the County associated with a Level V Seismic Assessment. The County has acknowledged the Seismic Risk Level rating V for the Court Facility. Under current law, the County may transfer the Court Facility to the State if it: a) retains the liability for damage or injury due to a seismic event for the next 35 years; or b) the County makes structural improvements to the property and upgrades the Risk level to IV or less. Once the cost for structural repairs is estimated, the County has indicated that an appropriate determination will be made as to whether it will repair the Court Facility in exchange for a reduction in liability.

Other:

- The County adopted a Resolution on June 24, 2008, approving the Transfer Agreement to transfer title and responsibility of the Court Facility to the State.
- The State may refuse to accept responsibility for the Court Facility only if (a) the Court Facility contains one or more deficiencies, as defined at Government Code Section 70326(b), and (b) the county and the AOC have not made provision for the correction of the deficiencies as part of the Transfer Agreement, pursuant to Section 70326(c) or Section 70327(d) of the Government Code. Neither of these situations exists.
- The Transfer Agreement requires that delivery of title to the property be free and clear of any mortgages or liens.
- The AOC is not aware of any lawsuits pending concerning the property.
- The County has agreed to indemnify the AOC for any liability imposed on the AOC pursuant to the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. Sec. 9601 et seq.), or related provisions for conditions at the time of transfer whether known or not known that existed in, on, or under the real property during the period of its ownership.
- Following the no-cost transfer of title, in addition to the AOC's maintenance and operational responsibilities, the AOC shall have the obligation to maintain insurance coverage for the property.
- The AOC grants to the County the right of ingress, egress, and access to all parts of the Court Facility in which any component or subcomponent of, or connection to, the Court Telecommunications Infrastructure for purposes of operation, use, maintenance, expansion, and replacement.
- As provided by the terms of a Court Security Agreement effective July 1, 2007, between the County, the Superior Court of California, and County Sheriff, the County Sheriff's Department will remain liable and responsible for the secure entry, exit, transport, and holding of prisoners attending Court sessions throughout various area of the real property.
- There are no historic issues associated with the Court Facility.
- In accordance with SB1732, there is adequate parking for the Court Facility.
- There is no implied dedication involved with this project.

Staff Recommendation: **Authorize the acceptance of real property through a transfer of title.**

CONSENT ITEMS

CONSENT ITEM—2

JUDICIAL COUNCIL OF CALIFORNIA (0250)
ADMINISTRATIVE OFFICE OF THE COURTS
TRACY BRANCH COURTHOUSE AND TRACY AGRICULTURE BUILDING, COUNTY OF
SAN JOAQUIN
AOC Facility Number 39-E1 and 39-E4, DGS Parcel No. 10561

Authority: Trial Court Facilities Act of 2002, Chapter 1082, Statutes of 2002, commencing with Government Code Section 70301, as amended.

Consider the acceptance of real property through a transfer of title

CONSENT ITEMS

STAFF ANALYSIS ITEM—2

Administrative Office of the Courts
Tracy Branch Courthouse and Tracy Agriculture Building
AOC Facility Number 39-E1 and 39-E4

Action Requested

If approved, the requested action would authorize the acceptance of real property through a transfer of title

Scope Description

This transaction is within scope. The County of San Joaquin (County) is transferring fee title in and to the court facilities commonly known as the Tracy Branch Courthouse and Tracy Agriculture Building, located at 475 and 503 East 10th Street, Tracy, California (Court Facility), to the State of California (State) on behalf of the Judicial Council of California (Council), Administrative Office of the Courts (AOC), pursuant to that certain "Transfer Agreement Between the Council, AOC, and the County for the Transfer of Responsibility for Court Facility, dated November 25, 2008" (Transfer Agreement). The Court Facility consists of approximately 0.9 acres of real property improved with three buildings—the main courthouse building, one un-affixed modular building that contains approximately 1,400 square feet of court occupied space, and one building housing the Agricultural Commissioner's Office of San Joaquin County and

court storage area—in addition to related parking spaces and associated landscaping. Following the no-cost of transfer of title, the AOC shall be responsible for the funding and operation of the Court Facility.

Funding and Cost Verification

This transaction is within cost. The County shall not be entitled to compensation for any equity value in the square footage occupied by the Superior Court in the Court Facility pursuant to SB 1732 (Escutia), Chapter 1082, Statutes of 2002, Section 1(d)(6). The only costs associated with acceptance of this no-cost acquisition are the staff costs to process the acceptance.

CEQA

A Notice of Exemption was filed with the State Clearinghouse on November 24, 2008, and the 35-day statute of limitations period expired on December 29, 2008, with no adverse comments.

Project Schedule

The anticipated date of close of escrow is end of June 2009.

Condition of Property

Staff from the AOC's Office of Court Construction and Management conducted an initial site visit of the Court Facility on June 14, 2005, followed by several subsequent visits to assess the general condition of the property. Based upon all AOC observations and findings, the Office of Court Construction and Management concluded that the Court Facility did not contain any apparent hazards to the health and safety of the occupants or property.

Phase I:

A Phase I report was completed on October 20, 2008, by Bureau Veritas North America, Inc., in accordance with the American Society for Testing and Materials Standard Practice for Environmental Site Assessments: Phase I (E-1527-00) (ASTM 2000).

- 1) The Phase I found no on-site historic or current recognized environmental conditions at the subject property, except for an active underground storage tank (UST) case at the property for which soil vapor health risk assessment was currently underway. Subsequent to the Phase I report, the County provided a copy of a "No further Action" letter and a health risk assessment report related to the soil vapor assessment. The AOC is in concurrence with its findings in the report that the condition of the facility is such that no health risks related to the former underground storage tank (UST) and soil vapor intrusion are posed to the facility's occupants.
- 2) The Phase I report also cited the reported use of a vapor degreaser and associated solvents at a former plating shop on the southern adjoining property approximately 150 feet upgradient from the subject property, and expressed potential groundwater impacts from this facility. In April 1990, soil remediation work was completed on this site, with a letter issued by the oversight agency, which at the time was the California Department of Health Services. The AOC also followed up with a records search at the California Environmental Protection Agency and Department of Toxic Substances Control's (DTSC) Sacramento Regional office regarding the former plating shop. DTSC staff confirmed that no chemical contaminants had traveled outside the plating shop property.
- 3) The Phase I report cited petroleum in portions of the former Southern Pacific rail yard located approximately 1,400 to 2,000 feet up- to cross-gradient from the subject property. However, no offsite petroleum products sources were detected at the Plating shop, located 150 feet up- to cross-gradient. As such, there is no presence of any adverse petroleum products on the subject property.

Seismic Safety Assessment of the Improvements:

In December 2006, the AOC, factoring in the peer review performed by Rutherford & Chekene Consulting Engineers, approved structural drawings, calculations, and specifications prepared by Dasse Design, Inc. Structural Engineers for purposes of improving the seismic performance of the Tracy Branch Courthouse facility (39-E1) to a DSA rating of IV or better. Subsequently, seismic retrofit work was performed by the County, and in December 2007, Dasse Design, Inc. Structural Engineers confirmed that all retrofit work was completed in conformance with the approved structural drawings and specifications. Based on this outcome, the building has been assigned a seismic safety rating of Seismic Risk Level IV.

The Tracy Agriculture Building (31-E4) was exempt from seismic evaluation due to its size under the provisions of SB 1732, and is therefore seismically eligible for transfer of title to the state, without the additional requirements of either Government Code section 70324(a) or Government Code section 70326(c).

Other:

- The County adopted an Order on November 25, 2008, approving the Transfer Agreement to transfer title and responsibility of the Court Facility to the State, and authorizing the Chairman of the Board of Supervisors to sign the Transfer Agreement, Grant Deed, and other documents related to the transaction.
- The AOC has agreed that the County will transfer the Tracy Agriculture Building (TAB) in lieu of the Manteca Residence building, which was historically used by the County as a court facility. The AOC accepts the TAB as it meets the requirements of a suitable court facility pursuant to Government Code Section 70311.
- The Transfer Agreement requires that delivery of title to the property would be free and clear of any mortgages or liens.
- The County has agreed to indemnify the AOC against any known conditions that existed in, on, or under the real property during the period of their ownership.
- The AOC is not aware of any lawsuits pending concerning the property.
- The Superior Court of California, County of San Joaquin currently occupies 100 percent of the Tracy Branch Courthouse building. No change in occupancy shall occur after transfer of title to the State.
- The Superior Court of California, County of San Joaquin currently occupies 31 percent of the Tracy Agriculture Building and the County occupies the remainder under a license agreement. After the County's existing license agreement terminates on July 14, 2009, the Court will become the sole occupant of the building.
- In accordance with SB1732, there is adequate parking for the Court Facility. The Court Facility includes a total of two parking lots for use by judges, court staff and employees. Additional parking will be provided by means of a City Lease Agreement, pursuant an assignment of a parking agreement between the County and the City of Tracy, dated November 25, 2008, which will provide vehicular County parking, access to and from the Court Facility, and locating a modular facility.
- There are no historic issues associated with the Court Facility.

Staff Recommendation: **Authorize the acceptance of real property through a transfer of title.**

CONSENT ITEM

CONSENT ITEM—3

CALIFORNIA HIGHWAY PATROL (2720)
BISHOP AREA OFFICE ALTERATIONS
INYO COUNTY

Authority: Chapters 268 and 269, Statutes of 2008, Item 2720-301-0044 (3)

Consider:

- a. approval of preliminary plans
- b. approval of an augmentation \$116,000
(5.4 percent of the total project)

CONSENT ITEM

STAFF ANALYSIS ITEM—3

California Highway Patrol
Bishop Area Office Alterations

Action requested

If approved, the requested action would approve preliminary plans and provide an augmentation to working drawings.

Scope Description

This project is within scope. This project will remodel the existing approximately 5,000 square feet Department of Motor Vehicles (DMV) /California Highway Patrol (CHP) joint office into solely a CHP Area Office. Space vacated by the DMV will be renovated to provide a Female Locker Room, Men's Locker Room, Armory, Secure Evidence Room, Reports Writing Room, and a Conference/Interview Room. Additionally, two seismically deficient rooftop antennae will be replaced with a ground mounted communications tower that will meet the needs of the CHP Enhance Radio System project. Finally, the project includes minor curbing, AC patching, and landscaping improvements.

Funding and Cost Verification

This project is not within cost. Chapters 268 and 269, Budget Act of 2008 provides \$2,162,000 for (\$132,000) preliminary plans, (\$167,000) working drawings, and (\$1,863,000) construction. The project costs did not account for the magnitude of design work related to the new communication tower. As a result, an additional \$116,000 is needed for working drawings (5.4 percent total project costs). DGS indicates that much of the construction cost associated with the tower has been offset through identified savings and the current market conditions. The Board has directed DGS and the department to further bring this project within cost during the working drawings phase.

\$2,162,000	total authorized project costs: \$132,000 preliminary plans, \$283,000 working drawings, \$and construction \$1,863,200 (\$1,230,100 contract, \$86,100 contingency, \$378,400 A&E, and \$168,600 other)
\$2,278,000	total estimated project costs
\$ 132,000	project costs previously allocated: \$132,000 preliminary plans
\$2,146,000	project costs to be allocated: \$283,000 working drawings and \$1,863,000 construction(\$1,230,000 contract, \$86,000 contingency, \$378,000 A&E, and \$169,000 other project costs)
\$ 116,000	augmentation: \$116,000 working drawings

CEQA

A Notice of Exemption/Determination was filed with the State Clearinghouse on February 25, 2009, and the waiting period expired on March 26, 2009, with no adverse comments noted.

Real Estate Due Diligence:

Due Diligence was completed on March 2, 2009, with no unresolved issues noted.

Project Schedule:

Approve preliminary plans	May 2009
Complete working drawings	January 2010
Complete construction	February 2011

Staff Recommendation: **Approve preliminary plans and an augmentation to working drawings.**

CONSENT ITEM

CONSENT ITEM—4

CALIFORNIA HIGHWAY PATROL (2720)
OAKHURST AREA OFFICE-REPLACEMENT FACILITY
MADERA COUNTY

*Authority: Chapters 47 and 48, Statutes of 2006, Item 2720-301-0044 (2).
Chapters 171 and 172, Statutes of 2007, Item 2720-301-0044 (1)
Chapters 268 and 269, Statutes of 2008, Item 2720-301-0044 (1.5)*

Consider approval of preliminary plans

CONSENT ITEM

STAFF ANALYSIS ITEM—4

California Highway Patrol
Oakhurst Area Office Replacement Facility
Madera County

Action requested

If approved, the requested action would approve preliminary plans.

Scope Description

This project is within scope. This project will construct a new California Highway Patrol (CHP) facility in Oakhurst, California. The new facility will be approximately 13,541 square feet, consisting of a two-story structure comprised of a main building and an auto bay, as well as smaller support and utility buildings, parking, access from Highway 49 that complies with Caltrans requirement for a future expanded roadway, and a communications tower.

Funding and Cost Verification

This project is within cost. Chapter 268/08, Item 2720-301-0044(1.5) provides (\$873,000) working drawings funds. The 2009 Governor's Budget proposes (\$9,008,000) for construction.

Not recognized at this time is a potential shortfall of \$923,000 (8 percent total project costs) due to Caltrans right-of-way to Highway 49, a potential Madera County requirement for sewer connection and retention pond that would create a need for a pump house, increase in cell tower height from 40' to 120' to accommodate the CHP Enhanced Radio System and increased site work for the sloped site. The Board has directed Department of General Services and CHP to take efforts to bring this project into budget during working drawings.

\$11,375,000	total authorized project costs
\$11,375,000	total estimated project costs
\$ 1,414,000	project costs previously transferred: \$847,000 acquisition and \$567,000 preliminary plans
\$ 9,961,000	project costs to be allocated: \$873,000 working drawings and \$8,977,000 construction (\$6,683,000 contract, \$334,000 contingency, \$977,000 A&E, and \$982,000 other)

CEQA

A Notice of Determination was filed with the State Clearinghouse on February 11, 2008, as a Mitigated Negative Declaration. The 30-day statute of limitations period expired on March 13, 2008, with no adverse comments.

Real Estate Due Diligence

The November 2007 Real Estate Due Diligence memo notes two easements that could affect the site, one for PG&E and one Caltrans. Both easements have been incorporated into the design. There are no other concerns noted.

Project Schedule:

Approved site acquisition	March 2007
Complete preliminary plans	May 2009
Complete working drawings	December 2009
Complete construction	August 2011

Staff Recommendation: **Approve preliminary plans.**

CONSENT ITEMS

CONSENT ITEM—5

DEPARTMENT OF MOTOR VEHICLES (2740)
SAN BERNARDINO FIELD OFFICE RECONFIGURATION
SAN BERNARDINO COUNTY

*Authority: Chapters 171 and 172, Statutes of 2007, Item 2740-301-0044(3)
as reappropriated by the Statutes of 2008*

Consider approval of preliminary plans

CONSENT ITEMS

STAFF ANALYSIS ITEM—5

Department of Motor Vehicles
San Bernardino Field Office Reconfiguration

Action Requested

If approved, the requested action would approve preliminary plans.

Scope Description

This project is within scope. The project provides for the interior reconfiguration of the existing 9,800 square foot DMV field office to expand the lobby and add additional production terminals. Additional work includes replacement of interior finishes, HVAC and electrical systems, installation of vehicle control measures, and Americans with Disabilities Act modifications.

Funding and Cost Verification

This project is within cost. The Budget Act of 2007 provided \$2,393,000 for all phases of this project. Of that amount, \$217,000 for preliminary plans was encumbered, \$198,000 for working drawings was reappropriated and the remaining \$1,978,000 was allowed to revert on the natural. At the time of reappropriation, the Legislature recognized that construction costs had increased to \$2,111,000. Funding for the construction phase of this project was proposed in the 2009-10 Governors' Budget.

DGS indicates that there were some unanticipated expenses as a seismic analysis identified additional structural improvements that will be required to complete the approved scope of this project. As a result, the currently estimate that construction will cost \$169,000 (6.7 percent total project costs) more than anticipated. Finance expects that this project will be brought within budget during the development of working drawings, and as such, no anticipated deficit will be recognized at this time.

\$2,526,000 total authorized project costs

\$2,526,000 total estimated project costs

\$ 217,000 project costs previously allocated: \$217,000 preliminary plans

\$2,309,000 project costs to be allocated: \$198,000 working drawings and \$2,111,000 construction(\$1,388,000 contract, \$97,000 contingency, \$277,000 A&E, \$181,000 other project costs, and \$168,000 agency retained items)

CEQA

A Notice of Exemption was filed with the State Clearinghouse on February 18, 2009, and the waiting period expired on March 25, 2009, with no adverse comments.

Real Estate Due Diligence

The Summary of Conditions Letter, dated September 23, 2008, states no significant issues were identified.

Project Schedule:

Approve preliminary plan	May 2009
Complete working drawings	December 2009
Complete construction	May 2011

Staff Recommendation: Approve preliminary plans.

CONSENT ITEMS

CONSENT ITEM—6

DEPARTMENT OF FORESTRY AND FIRE PROTECTION (3540)
INTERMOUNTAIN CONSERVATION CAMP—REPLACE FACILITY
LASSEN COUNTY

*Authority: Chapters 47 and 48, Statutes of 2006, Item 3540-301-0660 (2)
Chapters 268 and 269, Statutes of 2008, Item 3540-301-0660 (4.5)*

Consider approval of preliminary plans

CONSENT ITEMS

STAFF ANALYSIS ITEM—6

Department of Forestry and Fire Protection
Intermountain Conservation Camp—Replace Facility
Lassen County

Action requested

If approved, the requested action would approve preliminary plans.

Scope Description

This project is within scope. This project constructs a new standard 5,000 square foot (sf) kitchen mess hall, a standard 10,938 sf barracks, a 3,960 sf Emergency Crew Transportation vehicle garage, a 4,250 sf dayroom, and a standard 4,240 sf vehicle maintenance building. An 880 sf addition will be made to the California Department of Forestry (Cal Fire) office and a 750 sf addition will be made to the California Department of Corrections and Rehabilitation office. Site work includes utilities, landscaping, asbestos and lead removal, and all other appurtenances required.

Funding and Cost Verification

This project is within cost. A total of \$21,182,000 (lease revenue bonds) has been appropriated for preliminary plans, working drawings and construction for this project.

\$21,182,000	total estimated project costs
\$21,182,000	total authorized project costs
\$ 1,008,000	project costs previously allocated: preliminary plans
\$20,174,000	project costs to be allocated: \$182,000 preliminary plans, \$1,045,000 working drawings, and \$18,947,000 construction (\$15,718,000 contract, \$786,000 contingency, \$2,298,000 project administration, \$38,000 for agency retained items, and \$107,000 other)

CEQA

A Notice of Determination was filed with the State Clearing house on December 3, 2008, and the 30-day statute of limitations expired on January 5, 2009, with no adverse comments.

Real Estate Due Diligence

The Department of General Services completed a Summary of Conditions Memo in December 2008, and no adverse issues were identified.

Project Schedule:

Approve preliminary plans	August 2008
Complete working drawings	December 2009
Complete construction	September 2011

Staff Recommendation: **Approve preliminary plans.**

CONSENT ITEMS

CONSENT ITEM—7

DEPARTMENT OF CORRECTIONS AND REHABILITATION (5225)
CALIFORNIA INSTITUTION FOR WOMEN
20-BED PSYCHIATRIC SERVICES UNIT
CORONA, SAN BERNARDINO COUNTY

*Authority: Chapters 171 and 172, Statutes of 2007, Item 5225-301-0001(11)
Chapters 268 and 269, Statutes of 2008, Item 5225-301-0001(9)
Chapter 1, Statutes of 2009, Item 5225-301-0001(8)*

Consider approval of preliminary plans

CONSENT ITEMS

STAFF ANALYSIS ITEM—7

Department of Corrections and Rehabilitation
California Institution for Women, 20-bed Psychiatric Services Unit
Corona, San Bernardino County

Action Requested

If approved, the requested action would approve preliminary plans for this project.

Scope Description

This project is within scope. The authorized scope of this project includes conversion of the east wing of the existing Support Care Unit (SCU) to Psychiatric Services Unit (PSU) housing, construction of a new modular building to provide treatment and office space to support the PSU housing, and construction of four Small Management Exercise Yards to provide outdoor recreation for the inmates that will be housed in the PSU. The SCU east wing conversion will renovate approximately 3,500 square feet (sf) to provide 20 single bed PSU cells, inmate showers, an officers' station, a sergeants' office, and supply storage space.

A new Prison Industry Authority modular building (approximately 2,880 sf) will be located on the east side of the SCU building where it will be directly accessible from the PSU housing. This modular building will include, but is not limited to, two group treatment rooms, an Interdisciplinary Treatment team room, an examination room, a custody station, six clinical staff offices, staff and inmate bathrooms, and mechanical, electrical, and clerical support space.

Funding and Cost Verification

This project is not within cost. The Budget Acts of 2007, 2008, and 2009 appropriated \$6,899,000 General Fund for (\$487,000) preliminary plans, (\$683,000) working drawings, and (\$5,729,000) construction for this project. Preliminary plans for this project have been completed and the 45-day notice required pursuant to Section 7003 of the Penal Code was submitted by the Department of Corrections and Rehabilitation to the Legislature on March 24, 2009. Based on an updated cost estimate prepared when preliminary plans were completed the construction cost for this project have increased by \$704,000. This additional funding has been requested in a Finance Letter submitted to the Legislature on March 20, 2009.

\$6,899,000	total authorized project cost
\$7,603,000	total estimated project cost
\$ 487,000	project costs previously allocated: preliminary plans
\$6,412,000	project costs to be allocated: \$683,000 working drawings and \$5,729,000 construction (\$4,574,000 contract, \$320,000 contingency, \$178,000 A&E, \$293,000 other project costs, and \$364,000 agency retained items)
\$ 704,000	anticipated deficit: construction (\$434,000 contract, \$31,000 contingency, \$155,000 A&E, \$71,000 other project costs, and \$13,000 agency retained items)

CEQA

A Notice of Exemption was filed with the State Clearinghouse on March 5, 2008, and January 23, 2009, and the 35-day statute of limitations for each expired without public comment.

Real Estate Due Diligence

The Department of General Services completed a Summary of Conditions Letter for this project on March 24, 2009, and it is noted that no significant issues were identified.

Project Schedule:

Approve preliminary plans	May 2009
Complete working drawings	February 2010
Complete construction	April 2011

Staff Recommendation: **Approve preliminary plans.**

CONSENT ITEMS

CONSENT ITEM—8

DEPARTMENT OF CORRECTIONS AND REHABILITATION (5225)
CALIFORNIA MEDICAL FACILITY
ENHANCED OUTPATIENT PROGRAM TREATMENT, PROGRAM, AND OFFICE SPACE
VACAVILLE, SOLANO COUNTY

Authority: Sections 15819.40(c) and 15819.402 - 15819.404 of the Government Code

Consider establishment of scope, cost, and schedule

CONSENT ITEMS

STAFF ANALYSIS ITEM—8

Department of Corrections and Rehabilitation
California Medical Facility
Enhanced Outpatient Program Treatment, Program, and Office Space
Vacaville, Solano County

Action Requested

If approved, the requested action would establish scope, cost, and schedule.

Scope Description

This project is within scope. This project will design and construct a new building adjacent to the existing Enhanced Outpatient Program (EOP) housing. This new mental health building will not include any new housing, but will provide adequate treatment, program, and office space to support the existing EOP.

On October 17, 2007, *Coleman, et al., v. Schwarzenegger, et al.*, (the Court) ordered the Department of Corrections and Rehabilitation (CDCR) to submit a development proposal to the Special Master within 150 days outlining their plan for providing adequate EOP treatment and counseling space at the California Medical Facility (CMF). The CDCR submitted the required development proposal on March 28, 2008. This plan proposed the design and construction of a new building to provide adequate treatment, program, and office space to support the 658 existing EOP beds at the CMF. Subsequently, on October 6, 2008, the Court ordered the CDCR to design and construct this project as described in their March 28, 2008 development proposal.

On March 25, 2009, Finance notified the chairs of the Joint Legislative Budget, the Senate Appropriations, and Assembly Appropriations Committees of its intent to recommend establishing the scope, cost, and schedule of this project to the Board. Pursuant to Government Code Section 15819.40(d)(2) the Legislature has 30 days to take action regarding this notification. The Joint Legislative budget Committee (JLBC) responded on April 24, 2009 indicating it had no objections to the proposed scope of this project, but recommending the cost be reduced by \$6.6 million per analysis provided to the committee from the Legislative Analyst's Office. In order to keep this project moving forward as ordered by the *Coleman* Court, the estimated project cost has been reduced according to the JLBC's recommendation.

Funding and Cost Verification

This project is within cost. This action would allocate \$45,770,000 of the \$710,940,000 Public Buildings Construction Fund (lease revenue bond authority) appropriated in Section 15819.403(a) of the Government Code, as amended, to complete design and construction for this project.

\$45,770,000	total authorized project cost
\$45,770,000	total estimated project cost
\$45,770,000	project costs to be allocated: \$3,341,000 preliminary plans, \$3,485,000 working drawings, and \$38,944,000 construction (\$29,663,000 contract, \$1,483,000 contingency, \$1,501,000 A&E, \$3,428,000 other project costs, and \$2,869,000 agency retained items)

CEQA

Appropriate CEQA documentation will be completed for this project during the preliminary plans phase.

Real Estate Due Diligence

Real estate due diligence review and a Summary of Conditions Letter will be completed for this project during the preliminary plans phase.

Project Schedule:

Approve preliminary plans	September 2010
Complete working drawings	April 2011
Complete construction	July 2013

Staff Recommendation: **Establish scope, cost, and schedule.**

CONSENT ITEMS

CONSENT ITEM—9

DEPARTMENT OF CORRECTIONS AND REHABILITATION (5225)
KERN VALLEY STATE PRISON
ARSENIC REMOVAL WATER TREATMENT SYSTEM
DELANO, KERN COUNTY

*Authority: Chapters 38 and 39, Statutes of 2005, Item 5225-301-0001(22)
Chapters 47 and 48, Statutes of 2006, Item 5225-301-0001(25)
Section 28(a) of Chapter 7, Statutes of 2007*

Consider establishment of scope, cost, and schedule

CONSENT ITEMS

STAFF ANALYSIS ITEM—9

Department of Corrections and Rehabilitation
Kern Valley State Prison, Arsenic Removal Water Treatment System
Delano, Kern County

Action Requested

If approved, the requested action would establish scope, cost, and schedule.

Scope Description

This project is within scope. This project includes modifying the existing working drawings and constructing a precipitation arsenic removal treatment system. This project will initially be constructed to serve only the existing needs of Kern Valley State Prison (KVSP). However, the proposed modifications to the existing working drawings will make changes necessary to facilitate expansion of the treatment system when the proposed infill bed project is constructed. This approach will help expedite compliance with the water quality standards established by the federal Environmental Protection Agency (EPA) and the California Department of Public Health (DPH). In addition, it will help reduce the future cost associated with expanding the treatment system when an infill bed facility is constructed at KVSP.

This project is necessary to treat KVSP's potable water to comply with state and federal standards for arsenic in potable water. The untreated water supply at KVSP is approximately twice the allowable limit for arsenic of ten parts per billion (ppb). On March 10, 2008, KVSP received a Notice of Violation (NOV) from the EPA for exceeding the federal limit for arsenic in potable water. This NOV requires KVSP to post quarterly public notifications beginning with the first quarter of 2008 and continuing until compliance is met.

Subsequently, on December 12, 2008, the DPH issued a Compliance Order requiring KVSP, as a public water system operator, to cease and desist from failing to comply with drinking water standards. This Compliance Order also requires Department of Corrections and Rehabilitation (CDCR) to submit a mitigation plan that includes a time schedule for completion of the necessary project to the DPH by February 1, 2009, and quarterly progress reports beginning April 10, 2009. CDCR submitted the required mitigation plan to the DPH on January 28, 2009. This plan identifies requesting funding to redesign and complete the KVSP: Arsenic Removal Water Treatment System project originally started in 2005-06 as the CDCR's primary approach to achieving compliance.

On March 23, 2009, Finance notified the chairs of the Joint Legislative Budget, the Senate Appropriations, and Assembly Appropriations Committees of its intent to recommend establishing the scope, cost, and schedule of this project to the Board no sooner than 30 days from that date.

Funding and Cost Verification

This project is within cost. The Budget Acts of 2005 and 2006, respectively, appropriated \$2,977,000 for design (\$260,000 preliminary plans and \$240,000 working drawings) and (\$2,477,000) construction for an arsenic removal water treatment system at KVSP. Preliminary plans and working drawings were completed within budget. However, in 2007 an updated cost estimate prepared in conjunction with completion of the working drawings for this project indicated the construction cost had increased beyond the amount appropriated for construction. Consequently, the unexpended balance of the construction appropriation was reverted in the 2008 Budget Act. Since that time CDCR had been planning to complete this project as part of an anticipated infill bed project proposed at KVSP.

This action would allocate \$8,010,000 of the \$300 million General Fund appropriated in Section 28(a) of Chapter 7, Statutes of 2007 to complete design and construction for this project.

\$8,533,000	total authorized project cost
\$8,533,000	total estimated project cost
\$ 523,000	project costs previously allocated: \$260,000 preliminary plans, \$240,000 working drawings, and \$23,000 construction
\$8,010,000	project costs to be allocated: \$579,000 working drawings and \$7,431,000 construction (\$6,050,000 contract, \$424,000 contingency, \$342,000 A&E, \$517,000 other project costs, and \$98,000 agency retained items)

CEQA

A Notice of Determination was filed with the State Clearinghouse on November 7, 2006, and the statute of limitations expired on December 7, 2006, without public comment.

Real Estate Due Diligence

The Department of General Services completed a Summary of Conditions Letter for this project on October 3, 2006 and it is noted that no significant issues were identified.

Project Schedule:

Approve preliminary plans	January 2007
Complete working drawings	September 2009
Complete construction	March 2011

Staff Recommendation: **Establish scope, cost, and schedule.**

CONSENT ITEMS

CONSENT ITEM—10

DEPARTMENT OF CORRECTIONS AND REHABILITATION (5225)
MULE CREEK STATE PRISON
WASTEWATER TREATMENT PLANT IMPROVEMENTS
IONE, AMADOR COUNTY

Authority: Chapters 171 and 172, Statutes of 2007, Item 5225-301-0001(14)
Chapters 268 and 269, Statutes of 2008, Item 5225-301-0001(14)
Section 28(a) of Chapter 7, Statues of 2007

Consider establishment of scope, cost, and schedule

CONSENT ITEMS

STAFF ANALYSIS ITEM—10

Department of Corrections and Rehabilitation
Mule Creek State Prison, Wastewater Treatment Plant Improvements
Ione, Amador County

Action Requested

If approved, the requested action would establish scope, cost, and schedule for this project.

Scope Description

This project is within scope. The authorized scope of this project includes modifying the existing mixed liquor splitter box to accommodate an additional secondary clarifier and construction of an additional secondary clarifier, a new chlorine contact basin, a disinfected secondary effluent pump station, electrical improvements, and a staff services building. These improvements will help enable Mule Creek State Prison to comply with its wastewater discharge permit requirements, provide more efficient and effective wastewater treatment plant operations, and add the capability of taking a secondary clarifier off-line to perform preventive maintenance.

On April 8, 2009, Finance notified the chairs of the Joint Legislative Budget, the Senate Appropriations, and Assembly Appropriations Committees of its intent to recommend establishing the scope, cost, and schedule of this project to the Board no sooner than 30 days from that date.

Funding and Cost Verification

This project is within cost. The Statutes of 2007 and 2008, respectively, provide \$932,000 for (\$390,000) preliminary plans and (\$542,000) working drawings for this project. Subsequently, on March 13, 2009, the Board approved an \$84,000 augmentation to the working drawings phase of this project to provide additional funding necessary to complete some of the drawings typically completed during preliminary plans but were shifted into the working drawings phase for this project.

The Budget Act of 2009 appropriated \$5,072,000 for construction of this project. Since enactment of the Budget Act of 2009 Finance has determined it is appropriate to fund this project from the capital outlay AB 900 General Fund appropriation. Consequently, consistent with the Finance Letter request submitted to the Legislature on March 20, 2009, this request would shift the construction phase funding for this project to the AB 900 General Fund appropriation, removing the need for the appropriation currently included in the Budget Act of 2009.

In addition, the estimated cost of this project has increased by \$1,077,000 to a total of \$6,149,000. This cost increase reflects an updated estimate prepared at the completion of preliminary plans for this project. This action would allocate \$6,149,000 of the \$300 million General Fund appropriated in Section 28(a) of Chapter 7, Statutes of 2007 to complete construction for this project.

\$7,165,000	total authorized project cost
\$7,165,000	total estimated project cost
\$1,016,000	project costs previously allocated: \$390,000 preliminary plans and \$626,000 working drawings
\$6,149,000	project costs to be allocated: construction (\$4,589,000 contract, \$321,000 contingency, \$534,000 A&E, \$568,000 other project costs, and \$137,000 agency retained items)

CEQA

A Notice of Exemption was filed with the State Clearinghouse on August 15, 2008, and the statute of limitations expired on September 19, 2008, without public comment.

Real Estate Due Diligence

The Department of General Services completed a Summary of Conditions Letter for this project on February 18, 2009 and it is noted that no significant issues were identified.

Project Schedule:

Approve preliminary plans	March 2009
Complete working drawings	August 2009
Complete construction	March 2011

Staff Recommendation: **Establish scope, cost, and schedule.**

CONSENT ITEMS

CONSENT ITEM—11

DEPARTMENT OF CORRECTIONS AND REHABILITATION (5225)
SIERRA CONSERVATION CENTER
EFFLUENT DISPOSAL PIPELINE
JAMESTOWN, TUOLUMNE COUNTY

*Authority: Chapter 324, Statutes of 1998, Item 5240-301-0001 (29)
Chapter 50, Statutes of 1999, Item 5240-301-0001 (24),
as reappropriated by the Budget Act of 2000
Chapter 52, Statutes of 2000, Item 5240-301-0001 (35)
Chapter 106, Statutes of 2001, Item 5240-301-0001 (26),
as reappropriated by the Budget Acts of 2002, 2003, and 2004,
and reverted by the Budget Act of 2005
Chapters 38 and 39, Statutes of 2005, Item 5225-301-0001 (17),
as reverted by the Budget Act of 2007
Chapters 171 and 172, Statutes of 2007, Item 5225-301-0001 (12.7)
Section 28(a) of Chapter 7, Statutes of 2007*

Consider establishment of scope, cost, and schedule

CONSENT ITEMS

STAFF ANALYSIS ITEM—11

Department of Corrections and Rehabilitation
Sierra Conservation Center
Effluent Disposal Pipeline
Jamestown, Tuolumne County

Action requested

If approved, the requested action would establish scope, cost, and schedule for this project.

Scope Description

This project is within scope. This project includes construction of a reservoir, two pumping stations (one at the SCC wastewater treatment plant and the second adjacent to the new reservoir), and approximately eight miles of pipeline to connect the two pumping stations. Once this project is complete the pumping stations and pipeline will be used to convey treated wastewater from the SCC wastewater treatment plant to the reservoir where it will be stored and later used for irrigation.

On April 8, 2009, Finance notified the chairs of the Joint Legislative Budget, the Senate Appropriations, and Assembly Appropriations Committees of its intent to recommend establishing the scope, cost, and schedule of this project to the Board no sooner than 30 days from that date.

Funding and Cost Verification

This project is within cost. The Budget Act of 2009 appropriated \$4,851,000 for construction of this project. Since enactment of the Budget Act of 2009 Finance has determined it is appropriate to fund this project from the capital outlay AB 900 General Fund appropriation. Consequently, consistent with the Finance Letter request submitted to the Legislature on March 20, 2009, this request would shift the construction phase funding for this project to the AB 900 General Fund appropriation, removing the need for the appropriation currently included in the Budget Act of 2009. This action would allocate \$4,851,000 of the \$300 million General Fund appropriated in Section 28(a) of Chapter 7, Statutes of 2007 to complete construction for this project.

\$29,676,000 total authorized project cost

\$29,676,000 total estimated project cost

\$24,825,000 project costs previously allocated: \$415,000 acquisition, \$956,000 preliminary plans, \$996,000 working drawings, and \$22,458,000 construction (\$17,335,000 contract, \$867,000 contingency, \$1,419,000 A&E, and \$2,837,000 other project costs)

\$ 4,851,000 project costs to be allocated: construction (\$3,707,000 contract, \$310,000 A&E, and \$834,000 other project costs)

CEQA

A Notice of Determination was filed with the State Clearinghouse on May 24, 2001, May 10, 2004, and May 1, 2006, and the 30-day statute of limitations for each expired without adverse comment.

Real Estate Due Diligence

The Department of General Services completed a Summary of Conditions Memo for this project on September 17, 2004, and it is noted that no significant issues were identified.

Project Schedule:

Approve preliminary plans	June 2002
Complete working drawings	January 2005
Complete construction	May 2010

Staff Recommendation: **Establish scope, cost, and schedule.**

CONSENT ITEM

CONSENT ITEM—12

**CALIFORNIA COMMUNITY COLLEGES (6870)
SANTA BARBARA COMMUNITY COLLEGE DISTRICT, HIGH TECHNOLOGY CENTER
SANTA BARBARA CITY COLLEGE, SANTA BARBARA COUNTY**

*Authority: Chapter 208, Statutes of 2004, item 6870-301-6041 (53),
as reappropriated by the Budget Act of 2005,
as reappropriated by the Budget Act of 2006,
Chapters 171 and 172 Statutes of 2007, Item 6870-301-6049 (40),
as reappropriated by the Budget Act of 2008*

Consider:

- a. approval of a scope change**
- b. approval of preliminary plans**

CONSENT ITEM

STAFF ANALYSIS ITEM—12

California Community Colleges
Santa Barbara Community College District, High Technology Center
Santa Barbara City College, Santa Barbara County

Action Requested

If approved, the requested action would approve a scope change and preliminary plans for the new scope.

Scope Description

This project is not within scope. The authorized scope constructs a 41,551 assignable square foot (asf) High Technology Center that consolidates and expands multiple media programs into the School of Media Arts. The new building would be three stories with one and a half floors below ground and would contain 5,385 asf lecture space, 11,068 class labs, 4,198 asf office space, 3,720 library space, 11,060 asf AVTV space and 6,120 asf other space. In April 2007, the Board approved preliminary plans for this authorized scope.

In June 2007, the District received permission from Finance staff to pursue the redesign of the Project to reduce costs without changing the project scope and intent. The authorized redesign planned to lift the exiting room configuration above ground to reduce the cost of the foundation and first floor construction while leaving the space configuration essentially unchanged. However, in order to maximize the cost savings, the District changed the building from a three story building with one and one half stories underground to a two-story, above ground building. The larger footprint of the two story building would interfere with the continued use of six temporary buildings used for lecture and office space. Therefore, the redesigned building converts non-assignable space in the building to assignable space to replace the lecture and office space that would be displaced. Further space expansion was required to accommodate laboratory areas to provide computer assisted drawing capability. The modified design and scope of the Project constructs 44,412 total asf with 7,601 asf lecture space, 11,841 asf laboratories, 5,164 asf offices, 3,848 asf library space, 10,951 asf AVTV space and 5,007 asf other space. In addition, the revised scope would require the removal and or demolition of the six temporary buildings, totaling 14,870 asf, that are in the way of the new larger footprint.

Funding and Project Cost Verification

This project is within cost. The Budget Act of 2004, Item 6870-301-6041(53), appropriated \$1.4 million for preliminary plans and working drawings for this Project. The funds were reappropriated in the Budget Acts of 2005 and 2006. The Budget Act of 2007, Item 6870-301-6049 (40), as reappropriated in the Budget Act of 2008, appropriated \$30,672,000 for the construction and equipment phases. In addition, the District is contributing \$28,068,000 towards the design, construction, and equipping of this Project.

The revised cost estimate for the Project reflects a decrease of 13.6 percent (\$8,150,000) in total project cost from \$60,140,000 to \$51,992,000.

\$51,992,000	total estimated project costs
\$60,140,000	total authorized project costs
\$ 1,400,000	state funds previously allocated: \$707,000 preliminary plans and \$693,000 working drawings
\$30,672,000	state funds to be allocated: \$28,468,000 construction (\$25,731,000 contracts, \$1,287,000 contingency, \$1,450,000 project administration); and \$2,204,000 equipment
\$ 2,788,000	local funds previously allocated: \$1,410,000 preliminary plans and \$1,378,000 working drawings
\$25,280,000	local funds to be allocated: \$25,038,000 construction (\$22,890,000 contracts, \$1,144,000 contingency, and \$1,004,000 project administration) and \$242,000 equipment
\$ 8,150,000	State funds to be reverted: \$7,950,000 construction (\$7,219,000 contracts, \$361,000 contingency, and \$370,000 project administration) and \$200,000 equipment.

CEQA

A Notice of Determination for the project was filed on May 9, 2006, and the waiting period has expired without adverse comment.

Real Estate Due Diligence

Community college districts have full responsibility for clearing due diligence issues for general obligation bond projects.

Project Schedule:

Approve preliminary plans	May 2009
Complete working drawings	October 2009
Complete construction	April 2011

Other

While the Finance approval to modify the previously approved preliminary plans was specific to no changes in Project scope, the District lost sight of the approved scope and designed plans to meet this new revised scope without consulting the Chancellors Office. Therefore, the District is also seeking approval of the preliminary plans that support the revised scope of the Project. As this revised plan continues to fulfill the programs the Project was approved for and the new scope, while increasing the usability of the space, does result in overall project savings, Finance is supportive of the revised scope and approval of preliminary plans.

This item was originally on the March 2009 agenda. However, the JLBC requested more time to review and analyze this item and it was removed from the March PWB agenda. On March 24, 2009, the JLBC requested the Finance not approve the scope change, revert all remaining funds, and request a new appropriation. On April 22, 2009, after concerns were raised by the District, the JLBC revised its request to Finance. This revision removed their concerns with approving the scope change and asked that Finance submit a Finance Letter to revert the construction and equipment authority, and that these phases be appropriated new without an escalation adjustment and less the \$8.15 million in identified savings.

Staff Recommendation: **Approve the scope change and preliminary plans.**

CONSENT ITEMS

CONSENT ITEM—13

DEPARTMENT OF VETERANS AFFAIRS (8955)
FRESNO VETERANS HOME
FRESNO COUNTY

Authority: Government Code Sections 14461, 15819.60, 15819.65, and 15819.70

Consider approval of performance criteria

CONSENT ITEMS

STAFF ANALYSIS ITEM—13

Department of Veterans Affairs
Fresno Veterans Home
Fresno County

Action Requested

If approved, the requested action would approve performance criteria.

Scope Description

This project is within scope. This project will design and construct a 239,000 gross square foot residential care facility (the Home) for 300 beds on approximately 26.22 acres of state-owned land along California Street in the City of Fresno. The Home will provide various levels of care services for California veterans and/or their spouses, including skilled nursing (SNF), residential care for the elderly (RCFE) and memory care (MC). Further, this project intends to utilize the design-build delivery method. Site improvements include access roads, surface parking, and landscaping.

Funding and Project Cost Verification

This project is within cost. This project is funded through two sources: lease revenue bonds authorized in Government Code Section 15819.65 and 15819.70, and the federal State Home Construction Grant Program. Currently it is estimated that the state will fund 40 percent and the federal grant will fund 60 percent of the project costs. However, the current federal commitment is \$92.6 million. While this commitment is low, we anticipate that as the project progresses and updated project cost estimates are provided to the State Home Construction Grant Program that the federal commitment will rise to the level reflected below.

\$158,633,000	total authorized project costs
\$158,633,000	total estimated project cost (\$63,453,000 Public Buildings Construction Fund, \$95,180,000 State Home Construction Grant Program)
\$ 4,343,000	project costs previously allocated: \$77,000 due diligence and environmental review during acquisition of the project site and \$4,266,000 performance criteria and request for proposal
\$154,290,000	project costs to be allocated: \$121,655,000 design/build contract (\$111,718,000 construction and \$9,099,000 indirect costs), \$6,083,000 contingency, \$4,297,000 A&E, \$8,937,000 agency retained, and \$13,318,000 other project costs

CEQA

The project will require compliance with CEQA.

Real Estate Due Diligence

A due diligence letter was provided on September 21, 2007. Nothing was identified that would adversely impact the project.

Project Schedule:

Approve performance criteria	June 2009
Award design-build contract	January 2010
Complete construction	March 2012

Other:

- Government Code Section 15819.60 authorizes the construction of new veterans homes in the Greater Los Angeles and Ventura Counties (GLAVC), Shasta County, and Fresno County, and authorizes the utilization of the design-build construction procurement process in Fresno and Shasta counties.
- Scope and cost for this project were established at the March 13, 2008, Board meeting.
- Notice about the selection criteria used to select the winning design-build entry was provided in a letter dated April 20, 2009.

Staff Recommendation: Approve performance criteria.

CONSENT ITEMS

CONSENT ITEM—14

DEPARTMENT OF VETERANS AFFAIRS (8955)
REDDING VETERANS HOME
SHASTA COUNTY

Authority: Government Code Sections 14661, 15819.60, 15819.65, and 15819.70

Consider approval of performance criteria

CONSENT ITEMS

STAFF ANALYSIS ITEM—14

Department of Veterans Affairs
Redding Veterans Home
Shasta County

Action Requested

If approved, the requested action would approve performance criteria.

Scope Description

This project is within scope. This project will design and construct a 127,000 gross square foot residential care facility (the Home) for 150 beds on approximately 26 acres of state-owned land along Knighton Road in the City of Redding. The Home will provide various levels of care services for California veterans and/or their spouses, including skilled nursing (SNF), residential care for the elderly (RCFE) and memory care (MC). Site improvements include access roads, surface parking, and landscaping.

Funding and Project Cost Verification

This project is within cost. This project is funded through two sources: lease revenue bonds authorized in Government Code Section 15819.65 and 15819.70, and the federal State Home Construction Grant Program. Currently it is estimated that the State will fund 40 percent and the federal grant will fund 60 percent of the project costs. However, the current federal commitment is \$47.4 million. While this commitment is low, we anticipate that as the project progresses and updated project cost estimates are provided to the State Home Construction Grant Program that the federal commitment will rise to the level reflected below.

\$91,416,000	total authorized project costs
\$91,416,000	total estimated project costs (\$36,566,000 Public Buildings Construction Funds, \$54,850,000 State Home Construction Grant Program)
\$ 2,702,000	project costs previously allocated: \$57,000 due diligence and environmental review during acquisition of the project site; \$2,645,000 performance criteria and request for proposal
\$88,714,000	project costs to be allocated: \$66,549,000 design/build contract (\$60,879,000 construction, \$5,670,000 indirect costs), \$3,328,000 contingency, \$5,041,000 A&E, \$4,812,000 agency retained, and \$8,984,000 other project costs.

CEQA

The project will require compliance with CEQA.

Real Estate Due Diligence

A due diligence letter was provided on October 5, 2007. Nothing was identified that would adversely impact the project.

Project Schedule:

Approve performance criteria	June 2009
Award design-build contract	January 2010
Complete construction	December 2011

Other:

- Government Code Section 15819.60 authorizes the construction of new veterans homes in the Greater Los Angeles and Ventura Counties (GLAVC), Shasta County, and Fresno County, and authorizes the utilization of the design-build construction procurement process in Fresno and Shasta counties.
- Scope and cost for this project were established at the March 13, 2008, Board meeting.
- Notice about the selection criteria used to select the winning design-build entry was provided in a letter dated April 20, 2009.

Staff Recommendation: Approve performance criteria.

ACTION ITEMS

ACTION ITEM

DEPARTMENT OF GENERAL SERVICES (1760)
VARIOUS DEPARTMENTS

Authority: Government Code 13332.11(e)

Consider approval of various augmentations to address the Architectural Revolving Fund deficit, consistent with Control Section 4.70 of the 2008 Budget Act

\$3,737,218

ACTION ITEMS

STAFF ANALYSIS ITEM

Department of General Services (1760)
Various Departments

Action Requested

If approved, the requested action would approve augmentations for the 35 specified projects.

Scope Description

The projects are within scope. The Department of General Services (DGS) has requested to augment 35 various projects (see Attachment) that have contributed to the Architecture Revolving Fund (ARF) deficit. The deficit has been identified and Budget Control Section 4.70 requires the Department of General Services to implement processes to recover the deficits from those departments that gained from the unreimbursed costs to complete their respective capital outlay projects.

Control Section 4.70 directs DGS to work with the Finance to allocate and collect at least half of the identified \$27.2 million ARF deficit via a surcharge on all fund transfers over the next five years. The remainder would be recovered by directly billing the departments that benefitted from the work performed or by augmenting capital outlay projects through the Board. The proposed action represents one piece of the recovery plan. DGS will continue to work with departments to directly bill them for past work and will apply a surcharge on all fund transfers over the next five years.

According to DGS, these projects are in deficit for the following primary reasons:

- Projects were under-funded for soft costs
- Billing rates were held below actual cost because it was believed to offer relief to client agencies
- Billing rates did not anticipate cost increases such as salary increases, retirement cost increases and increases to departmental and statewide overhead
- Controls were not in place to prevent DGS staff from billing beyond available funding
- Staff were directed by DGS management to complete work as a courtesy to clients even though funding had been exhausted

DGS has taken the following actions to prevent future deficits in the ARF:

- Work will not begin on projects until funding has been transferred to the ARF
- A zero-tolerance policy directive has been issued to all DGS staff prohibiting work without funding in place
- Controls have been implemented in the accounting system that will reject time-charges that exceed the available funding
- Automated warnings will be installed in the accounting system when certain thresholds have been reached in expenditures compared to available funding
- Augmentations will be requested for additional work requirements well in advance of funds being exhausted

On April 8, 2009, Finance notified the chairs of the Joint Legislative Budget, the Senate Appropriations, and Assembly Appropriations Committees of its intent to recommend approval of the various augmentations to the Board. The 20-day notice period has expired without adverse comment.

Funding and Cost Verification

These projects are not within cost. The attached list includes a large number of active projects that have incurred deficits mostly in prior phases. A few have deficits in the current project phase and work has been halted pending an augmentation. Augmentations are proposed from the original appropriations within the 20 percent augmentation limits, allowable by law, for the entire project. In those instances where bonds have been sold the construction reserve will be used to augment the projects. In total, the proposed action would result in a General Fund augmentation of \$1.5 million to 19 projects, a \$1.9 million augmentation from the Public Buildings Construction Fund for 22 projects, and a \$305,952 augmentation from other special funds for 3 projects.

In addition to the projects included in the Attachment, DGS also notified Finance of an ARF deficit associated with the San Luis Obispo Ranger Unit Headquarters project, for the Department of Forestry and Fire Protection, in the amount of \$1.1 million from the Public Buildings Construction Fund. Because Finance is currently working with DGS to investigate the circumstances of this particular deficit, this project has not been included in this augmentation request. As more details become available and the circumstances of this specific deficit are better understood, Finance will provide the appropriate legislative notifications as part of a subsequent augmentation request for this project.

In summary, the proposed augmentations account for \$3.7 million of the identified ARF deficit, or 27 percent of the amount that Control Section 4.70 requires DGS to recover directly from those departments that benefitted from the work performed.

Staff Recommendation: Approve the various augmentations.

Project Name	Dept	Project Phase	Identified Deficit	Budget Act Appropriation	Under 10 Percent	10 to 20 percent augmentation
CCC Camarillo	CCC	P	\$1,700	CH. 52, 3340-301-0001(1), Stats. 2000	X	
		W	\$226,600	CHs. 38/39, 3340-301-0660(2), Stats. 2005	X	
Delta Service District Center	CCC	S	\$25,648	CH. 52, 3340-301-0001(4.6), Stats. 2000	X	
		P	\$69,653	CHs. 38/39 3340-301-0660(1), Stats. 2005	X	
		W	\$214,208		X	

Harts Mill FFS	CDF	W	\$12,800	CH. 52, 3540-301-0001 (10), Stats. 2000		X
Weaverville FFS	CDF	W	\$13,200	CH. 47, 3540-301-0660 (1.5), Stats. 2006		X
Alma HB	CDF	A	\$3,100	CH. 52, 3540-301-0001 (.5), Stats. 2000	X	
Sweetwater FFS	CDF	A	\$1,300	CH. 50, 3540-301-0001 (5), Stats. 1999		X
		P	\$3,200	CHs. 38/39, 3540-301-0660 (0.5), Stats. 2005		X
		W	\$23,300			X
Santa Clara Auto Shop	CDF	P	\$21,900	CH. 50, 3540-301-0001 (10), Stats. 1999	X	
		W	\$112,500	CH. 106, 3540-301-0001 (8), Stats. 2001	X	
		C	\$77,000	CHs. 47/48, 3540-301-0660 (.6), Stats. 2006	X	
Mendocino Auto Shop	CDF	W	\$123,800	CHs. 268/269, 3540-301-0660 (1.8), Stats. 2008	X	
Boonville FFS	CDF	P	\$23,528	CHs. 38/39, 3540-301-0660 (4), Stats. 2005	X	
Cloverdale FFS	CDF	P	\$17,527	CHs. 38/39, 3540-301-0660 (4), Stats. 2005	X	
Bautista CC	CDF	P	\$26,609	CHs. 38/39, 3540-301-0660 (3.9), Stats. 2005	X	
Usona FFS	CDF	P	\$4,433	CH. 50, 3540-301-0001 (36), Stats. 1999		X
		W	\$38,134	CHs. 47/48, 3540-301-0660 (5.1), Stats. 2006		X
Nevada City	CDF	P	\$12,744	CHs. 38/39, 3540-301-0660 (4), Stats. 2005	X	
Ukiah FFS	CDF	P	\$31,000	CH. 106, 3540-301-0001 (1), Stats. 2001	X	
		W	\$74,300	CH. 208, 3540-301-0660 (0.5), Stats. 2004	X	
		C	\$45,700		X	

CDF Cuyamaca	CDF	A	\$5,000	CH. 106, 3540-301-0001, Stats. 2001	X	
		P	\$12,000	CH. 208, 3540-301-0660 (4), Stats. 2004	X	
		W	\$70,000		X	
Colfax	CDF	P	\$17,383	CHs. 38/39, 3540-301-0660 (4), Stats. 2005	X	
Twain Hart	CDF	P	\$29,200	CHs. 38/39, 3540-301-0660 (3.75), Stats. 2005	X	
Springville FFS	CDF	P	\$12,700	CHs. 38/39, 3540-301-0660 (3.75), Stats. 2005	X	
		W	\$62,900		X	
Fenner Canyon CC	CDF	P	\$1,057	CH. 50, 3540-301-0001 (27), Stats. 1999	X	
		W	\$1,767	CH. 106, 3540-301-0001 (21), Stats. 2001	X	
Ventura Youth Camp	CDF	P	\$12,000	CH. 50, 3540-301-0001 (26), Stats 1999	X	
		W	\$31,000	CHs. 38/39, 3540-301-0660 (3.45), Stats. 2005	X	
Dew Drop FFS	CDF	P	\$3,100	CH. 50, 3540-301-0001 (42), Stats 1999		X
		W	\$43,000			X
Nipomo FFS	CDF	P	\$9,200	CH. 50, 3540-301-0001 (31), Stats 1999	X	
		W	\$164,500	CHs. 47/48, 3540-301-0660 (1.5), Stats. 2006	X	
Rancheria FFS	CDF	P	\$6,224	CH. 50, 3540-301-0001 (35), Stats 1999		X
		W	\$96,022	CHs. 38/39, 3540-301-0660 (3.55), Stats. 2005		X
		C	\$10,028			X
Altaville FFS	CDF	P	\$59,000	CHs. 47/48, 3540-301-0660 (6.5), Stats. 2006	X	
Warner Springs FFS	CDF	P	\$30,000	CHs. 38/39, 3540-301-0660 (3.4), Stats. 2005	X	

Hammond FFS	CDF	P	\$12,100	CH. 324, 3540-301-0001 (29), Stats. 1998	X	
		W	\$65,600		X	
		C	\$7,900	CH. 106, 3540-301-0001 (8), Stats. 2001	X	
Batterson FFS	CDF	W	\$45,000	CHs. 47/48, 3540-301-0001 (2), Stats. 2006	X	
		P	\$37,500		X	
Truckee Agricultural Inspection Station	DFA	S	\$20,700	CH. 162, 8570-301-0001(1), Stats. 1996	X	
		P	\$43,800	CH. 324, 8570-301-0001(1), Stats. 1998	X	
		W	\$470,800	CH. 52, 8570-301-0001(2), Stats. 2000	X	
		W	\$69,100	CH. 208, 8570-301-0042(1), Stats. of 2004	X	
DMH Electrical Upgrade	DMH	W	\$9,981	4440-301-0660(4), Ch. 157, Stats. of 2003	X	
		C	\$9,520		X	
South Sacramento Field Office Replacement	DMV	P	\$544	2740-301-0044 (4), Ch. 379, Stats. of 2002		X
		W	\$171,100			X
Pupil Services, Fremont	DOE	P	\$4,800	6110-301-0001(3), Ch. 52, Stats. of 2000	X	
		W	\$104,300		X	
Multi-purpose Activity Center	DOE	P	\$98,000	6110-301-0660(1), Ch. 157, Stats. of 2003	X	
		W	\$335,000		X	
		C	\$158,000		X	
Santa Rosa Lab	DOJ	P	\$24,000	0820-301-0001(2), Ch. 50, Stats. of 1999	X	
		W	\$91,000		X	
Hastings 200 McAllister St. Facility, Seismic Retrofit	HCL	P	\$14,179	6600-301-6028 (1), Ch. 379, Stats. of 2002	X	
		W	\$51,029	6600-301-6028 (1), Ch. 157, Stats. of 2003	X	
New Fifth Appellate Courthouse	Jud Council	A	\$13,300	0250-301-0001(3) Ch. 52, Stats. of 2000	X	

OTHER BUSINESS

Consider extending the term for two of the three contracts with nationally recognized bond counsel firms that were authorized by the Board at its June 12, 2006 meeting. Both contracts are due to expire May 30, 2009 and have funds remaining; the proposed amendments will be for an extension of time until December 30, 2009. The contracts are with the law firms of Orrick, Herrington and Sutcliffe and Stradling Yocca Carlson and Rauth; both firms are currently working on issues related to the Board's lease revenue bond program.

REPORTABLES

NONE